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9/04/2001

**RESOLUTION BY
COMMUNITY DEVELOPMENT /HUMAN RESOURCES COMMITTEE**

01- R-1427

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDED LOAN AGREEMENT WITH SOUTHSIDE HEALTHCARE, INC. TO CHANGE THE TERMS OF REPAYMENT FOR LEGACY HOUSE, A SIXTEEN UNIT PROJECT PROVIDING SPECIAL NEEDS HOUSING LOCATED AT 309 MT. ZION ROAD; AND FURTHER, THE COMMISSIONER OF THE DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION IS AUTHORIZED TO SIGN THE NECESSARY ADMINISTRATIVE DOCUMENTS TO AMEND THE LOAN AGREEMENT; AND FOR OTHER PURPOSES.

WHEREAS, on June 1, 1996, the City of Atlanta provided HOME funds in the amount of \$236,776 to Southside Healthcare, Inc. to assist in the development of Legacy House, a sixteen (16) unit rental project for persons with special needs; and

WHEREAS, Legacy House has been operating successfully and is providing a valuable service to the community for special needs persons; and

WHEREAS, Southside Healthcare, Inc wishes to amend the terms for repayment of its loan agreement with the City of Atlanta and the Commissioner of Planning, Development and Neighborhood Conservation is in agreement with the amended terms so that Legacy House will continue to be able to serve its special needs housing clients.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

Section 1. The Mayor is authorized to enter into an amended loan agreement with Southside Healthcare, Inc to amend the terms for repayment for Legacy House so that the City defers all payments on the mortgage until such time as the project is sold or no longer serves HOME-eligible clients. All other terms and conditions of the original Loan Agreement signed June 1, 1996 remain unchanged.

Section 2. The Commissioner of the Department of Planning, Development and Neighborhood Conservation or his designee is authorized to sign the administrative documents necessary to amend the loan agreement.

Section 3. The amended loan agreement shall not become binding on the City until such time as the amended Loan Agreement has been signed by all parties and delivered to the contracting parties.

TRANSMITTAL FOR LEGISLATION

To Mayor's Office Greg Pridgeon
(for review & distribution to Executive Management)

Commissioner Signature *Michael Dobbin* Director Signature *Philip Smith*

From: Originating Dept. Planning, Development & Neigh. Conservation Contact (name) Al Whitfield X4819

Committee of Purview Community Development & Human Resources Committee Deadline 8/31/01

Committee Meeting Date(s) 9/12/01 City Council Meeting Date 9/17/01

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDED LOAN AGREEMENT WITH SOUTHSIDE HEALTHCARE, INC. TO CHANGE THE TERMS OF REPAYMENT FOR LEGACY HOUSE, A SIXTEEN UNIT PROJECT PROVIDING SPECIAL NEEDS HOUSING LOCATED AT 309 MT. ZION ROAD; AND FURTHER, THE COMMISSIONER OF THE DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION IS AUTHORIZED TO SIGN THE NECESSARY ADMINISTRATIVE DOCUMENTS TO AMEND THE LOAN AGREEMENT; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

Based on a review of financial statements for Legacy House the project will be unable to meet its repayment obligations on the City loan. This legislation authorizes the deferment of loan payments until such time as the project is sold or no longer serves special needs clients.

FINANCIAL IMPACT (if any): _____

OTHER DEPARTMENT(S) IMPACTED: _____

Coordinated Review With: _____

Mayor's Staff Only

Received by Mayor's Office: 8/28/01 (date) *[Signature]* Reviewed: *[Signature]* (initials) (date)

Submitted to Council: _____

Action by Committee: Approved Adversed Held Amended
Substitute Referred Other